

COUNTY COUNCIL ECONOMIC DEVELOPMENT INITIATIVES AND PROJECT FUNDING

Over the last five years, the Montgomery County Council has worked to implement and fund projects and programs that support a strong, growing economy in the county. We have sought to retain, expand, and attract businesses with a focus on continuing as a leading biotechnology and high-tech center.

As part of its economic development initiatives, the Council has also encouraged and supported workforce development, family-friendly business practices, revitalization of business districts, development of arts and entertainment venues, and preservation of farmland.

The Council's public education, college, environmental, and transportation initiatives have also played a strong role in supporting and enhancing a strong, vibrant County economy.

Economic Development

Montgomery is the third largest biotech cluster in the United States and is home to more than 200 biotech companies, which employ more than 15,000 life science professionals. The Food and Drug Administration, the National Institutes of Health and the National Institutes of Standards and Technology also are located in the county. Montgomery County is the largest employment center in Maryland with more than 450,000 jobs.

The Council...

- Adopted an Economic Development Strategic Plan to guide the County's economic development decisions over the next decade.
- Expanded the County's marketing program to include a public/private marketing initiatives to attract new businesses and retain existing ones.
- Supported annual funding for the Montgomery Work/Life Alliance to promote and recognize businesses who engage in family-friendly business practices.
- Supported annual funding for the High Tech Council of Maryland.
- Funded expansion of Maryland Technology Development Center (MTDC) incubator for 20 additional suites and also supported County funding for the new Silver Spring Innovation Center (SSIC). MTDC was the county's first high-tech business incubator and the SSIC is the second.

- Funded the construction and opening of the Montgomery County Conference Center at White Flint.
- Supported and funded the establishment of the Maryland Intellectual Property Legal Resource Center to provide low-cost intellectual property services and other legal assistance to start-up technology companies.
- Supported annual funding of the County Conference and Visitors Bureau from the hotel/motel tax revenues.
- Funded development of a Heritage Tourism initiative.
- Adopted supplement funding for a grant and loan program to provide emergency financial assistance to private companies affected by 9/11 terrorist attack.
- Annually supported funding for business development specialists in the Department of Economic Development who assist companies in location and expansion decisions and with permitting processes and who proactively market the county locally, nationally, and internationally.
- Approved the Belward Research Campus Infrastructure Development project for the design and construction of public infrastructure to meet the subdivision requirements for the development of the Belward Research Campus at Key West Avenue and Great Seneca Highway.

Economic Development Fund (EDF)

Since it was established by the County Council in 1996, the EDF has awarded more than \$13.4 million to 107 employers --spurring the creation and retention of 30,000 jobs and \$1 billion in private capital investment. The Economic Development Fund was created to provide financial assistance to stimulate job creation and retention in the private sector. Grants and loans are distributed over a wide range of industry segments across the county – healthcare, hospitality, info tech, business services, biotech, technology, telecommunications, retail, manufacturing, etc.

The Council...

- Expanded the Economic Development Fund to include additional programs to meet the varying needs of a broad range of business industry types and sizes:
 - 1) Small Business Revolving Loan Program to augment grants from the Maryland Industrial Land Act (MILA) for targeted assistance to small businesses that are unable to tap traditional private and public sources;

- 2) Technology Grant Program to facilitate growth of technology-based companies located or desiring to locate in the county; and
- 3) Demolition Program to assist owners of certain obsolete commercial buildings.

- Approved funds from the Economic Development Fund for the relocation, expansion and development of major business projects (over \$100,000). These included: Marriott Corporation expansion; new Qiagen U. S. headquarters and manufacturing facility in Germantown; new Bethesda Theatre Nederlander Project; Mills Corporation relocation to Montgomery County; new cable channel TV One LLC location in Silver Spring; Choice Hotels International redevelopment; Westfield Shopping Town expansion and redevelopment; and expansion and job creation projects for Manugistics, OPNET Technologies, Medimmune; ACTERNA; Intervise Consultants Inc.; Tellabs Operations, Inc.; First Federal Corporation; Gene Logic, Inc., Discovery Communications; Online Technologies Group; and others.

Small Business

Small business is the foundation of Montgomery County. More than 90,000 small businesses are located in the county -- 27,000 are women-owned, 7,600 are African-American owned, 5,600 are Hispanic-owned and 9,200 are owned by Asians and Pacific Islanders.

The Council...

- Funded dozens of smaller EDF grants and loans (under \$100,000) for small businesses such as American Youth Hostels, Aspen Group, Inc., Cubanitos Restaurant, Advancis Pharmaceutical, Primary Care Coalition of Montgomery, Quanta Bioscience, and others.
- Added \$100,000 to the EDF to assist businesses impacted by County redevelopment projects.
- Supported funding for a Maryland Small Business Development Center to provide direct training, counseling, and assistance to small businesses.
- Initiated \$90,000 in funding for the Community Ministries to establish a Microenterprise Support Center to mentor and provide access to loans for small businesses.
- Introduced legislation to create a local small business reserve program. The legislation would require that at least 10 percent of the total dollar value of local government contracts be awarded to Montgomery County-based

small businesses and also requires county departments to post small procurement opportunities (\$1,000 to \$25,000) on the Internet.

- Annually funded small business activities and programs in the Department of Economic Development that 1) support the County's partnership with the US Small Business Administration (SBA) in providing services and financial assistance to the County's small businesses; 2) provide a team of resource persons from the State of Maryland, SBA, DED, and the Chambers of Commerce to assist, train and counsel local businesses; and 3) conduct conferences, seminars, and other programs directed at educating and assisting small businesses.
- Conducted a Small Business Roundtable discussion in July 2003 to discuss new ways in which Montgomery County could work to enhance and assist small businesses.

Roundtables

In addition to the Small Business Roundtable, the Council's Planning, Housing and Economic Development (PHED) Committee held other roundtable discussions to obtain ideas and information on new ways in which the County could work to enhance and assist with other businesses and entrepreneurs in the County.

- March 2003 Biotechnology Industry Roundtable
 - June 2003 Minority Business Roundtable
 - July 2003 Small Business Roundtable
 - November 2003 Agriculture Business Roundtable
 - January 2004 Arts and Nonprofit Businesses Roundtable
 - March 2004 Associations Roundtable
 - July 2004 Information Technology Industry Roundtable
 - September 2004 Women Business Owners Roundtable
- The PHED Committee has also established a Business Advisory Council of executives from various business sectors to provide advice on issues affecting businesses and the economy in Montgomery County..

Agriculture

Agricultural activities occupy about one-third of the Montgomery County land area. The County has more than 500 farms and 350 horticultural enterprises that generate more than \$240 million in sales, and employ more than 10,000 residents. Montgomery County has been honored by the American Farmland Trust for preserving more farmland and open space than any other county in the United States.

The Council...

- Continued preservation of the County's Agricultural Reserve of 93,000 acres. The County's Agricultural Land Preservation Capital Program is administered by the County's Department of Economic Development. The agricultural land preservation programs protect and preserve agricultural land from development with the goal of retaining a significant farming sector. Preservation of agricultural land is accomplished under five separate agricultural land preservation programs
- Adopted supplement funding for an Emergency Assistance Program to provide financial assistance to farmers for the 1999 Drought.
- Supported and funded the establishment of an Equine Resource Conservationist whose work would include assisting in the development of soil conservation and water quality plans, workshops, promotion of agriculture and soil conservation district services and coordination with various agencies.

Legislative and Zoning Initiatives

Legislative and zoning initiatives help in reducing roadblocks or providing assistance to facilitate business efforts.

The Council...

- Adopted land use changes to facilitate location of equestrian facilities in the County.
- Introduced Bill No. 23-04 – Contracts and Procurement – Local Small Business Reserve Program -- to create a local small business reserve program. The legislation would require that at least 10 percent of the total dollar value of local government contracts be awarded to Montgomery County-based small businesses and also requires county departments to post small procurement opportunities.
- Introduced Bill 6-04 -- Personal Property Business Tax Credit – Employee Home Computer Telecommuting Incentive. The legislation provides for a personal property tax credit for an employer that purchases a home computer or laptop computer to be used by an employee for business purposes.
- Enacted Bill 18-03 which extended to 2005 the minority-owned business purchasing program for county procurements.
- Enacted Zoning Text Amendment 03-15 to permit artist live/work spaces in Central Business Districts.

- Enacted Zoning Text Amendment to establish a process for designation of Strategic Economic Development Projects.
- Enacted Zoning Text Amendment for Human Genome Sciences.

Workforce Development

The County's workforce leads the state in education and skills and adds about 20,000 jobs per year.

The Council...

- Reviewed and approved the transition of the federal and state workforce development programs to county control and management with the creation of the Workforce Investment Board and Workforce Investment Services division of the Department of Economic Development.
- Appointed a 30-member Workforce Investment Board to provide oversight and guidance for the expenditure of local workforce funds to enable local business, public, and private sectors to work collaboratively in meeting the workforce development needs of the county.
- Annually supported and supplemented gaps in federal funding for: 1) the Montgomery Works program that provides an array of vocational assessment, job readiness, job training and job placement services to dislocated workers, low income adults, older workers, disadvantaged workers, and youth, and also provides business services by assisting local employers with recruitment, hiring, and staff training programs; 2) the One-Stop Career Center in Wheaton and Gaithersburg that provides core services, intensive counseling services, and purchase of occupational skills training; and 3) Montgomery Youth Works which provides youth with meaningful training and employment opportunities and is aimed at facilitating a successful transition from school to work.
- Supported and appropriated funds for the new MontgomeryWorks Sales and Service Learning Center. The MontgomeryWorks Sales and Service Learning Center is a partnership with the National Retail Federation, Westfield Corp., Donohoe Construction, Montgomery College and MCPS. The National Retail Federation Foundation (NRFF) selected Montgomery County as a site for investing funds and resources from the U.S. Department of Labor to establish additional skills training centers. Space and construction costs are being contributed by the private sector. The center will help build a professional sales and service workforce to meet the demands of the local business community through 2010. Services will include ESOL (English for Speakers of Other Languages), basic education, EFF curriculum, and National Customer Service Skills Standards

University of Maryland and Montgomery College

Expansion and improvements to Montgomery College and the University of Maryland Shady Grove programs and facilities are intrinsic to a vital economy.

The Council...

- Continued support of the University of Maryland campus at Shady Grove including the expansion of the UMSG facilities and programs, construction of a new graduate library, and increased connectivity to Montgomery College programs.
- Supported and funded programs and facilities at Montgomery College to retain, enhance, and expand higher education opportunities for youth graduating from Montgomery County Public Schools and for employers seeking a well-trained workforce.
- Approved the Montgomery College Germantown Campus Technology Park, which will include an academic and training facility tied in with the college's biotechnology program, an incubator, and built-to-suit facilities.

The Council has funded and supported specific economic development projects and programs in all parts of the county.

Downtown Silver Spring

- Continued support for the Silver Spring redevelopment project which includes the American Film Institute at the restored Silver Theatre, the new Round House Theatre Black Box theatre, two public parking garages, a Civic Building and Veteran's Square, and various retail establishments including a Whole Foods grocery. The focus on retail and entertainment of the nearly \$1 billion in public/private investment for redevelopment of the downtown core also includes office, hotel, and residential construction, road improvements, streetscaping and other miscellaneous improvements to downtown Silver Spring. Related to the redevelopment project is the relocation of media giant Discovery Communications and construction of its new world headquarters, relocation of the Americans Nurses Association to Silver Spring, and other private projects throughout the downtown -- Holiday Inn and Hilton renovations, Cameron Hill Townhomes, Mayorga Roasting Company and Coffee House, and others.
- Supported funding for a portion of the Silver Spring Multimodal Transit Center including mixed-use air rights development.

- Supported operating funds for additional police officers and an expanded Urban District Corps patrol to increase their presence throughout the downtown, funds to clean and make repairs, and install new signage along Colesville Road.
- Supported funding and a study of Silver Spring area restaurants to implement improvements to their businesses and a marketing program for the Silver Spring restaurant community.
- Funded and/or supported projects for the Silver Spring: a new District Courthouse, a new Silver Spring Fire Station and a new Police Substation.
- Approved application to the State of Maryland for Silver Spring Central Business District designation as an Enterprise Zone. The enterprise zone tax credit is available to businesses that locate in designed areas to spur economic growth in both jobs and construction.
- Approved application to the State of Maryland for Designation of an Area of Silver Spring as an Arts and Entertainment District.

South Silver Spring Revitalization

- Supported and funded a portion of the Silver Spring Innovation Center in South Silver Spring, a business incubator for approximately 20 start-up information technology companies housed in a public-private partnership building as part of JBG Company Silver Spring Gateway project.
- Supported CDBG funding for the Fenton Street Village for new sidewalks, trees, and street lighting, plus façade easement program to encourage businesses to improve façades of existing buildings, streetscaping, and pedestrian pathways.
- Supported and funded a portion of the location in South Silver Spring of the Montgomery College Health Science Center, Student Services Center, and Cultural Arts Center, and also funded a pedestrian bridge to facilitate access.
- Supported and funded the renovation of Jessup Blair Park in South Silver Spring in coordination with the Montgomery College expansion.
- Supported the revitalization of South Silver Spring, encouraging new, private construction: the Gramax Building conversion into apartments, the NOAA Residential new apartment building, the Newell Street Condominiums on the former Post Office site, the Eco Housing reuse of a former office building, the former Canada Dry Bottling Plant's conversion into 210 apartment homes, and the Silver Spring Gateway mixed-use housing and commercial space.

Wheaton

The Council...

- Funded \$6 million to construct a new public parking garage to support the Westfield Shoppingtown Mall's \$100 million expansion and revocation to be anchored by a new Macy's department store opening in 2005.
- Approved funds for the Gateway Plaza at Veirs Mill and Georgia as part of the Wheaton redevelopment program and also funded streetscaping and revitalization efforts and the Wheaton Market Place Facility Improvements project as part of the program.
- Approved Application to Maryland Department of Housing and Community Development for Community Legacy Program for the Wheaton/Silver Spring/Long Branch Legacy Area.
- Approved supplemental funding to establish a Wheaton Redevelopment Office.
- Approved Application to State for Wheaton Central Business District designation as an Enterprise Zone.
- Other publicly-funded improvements in downtown Wheaton include: streetscaping and pedestrian improvements along perimeter of the Jones/Netterstrom site adjacent to Wheaton Metro Station which is being privately developed into 243 luxury apartments and 75 market-rate townhouses with a new parking garage, a 2 Federal Economic Development Initiative and a state Community Legacy Grant for streetscaping improvements in Wheaton.

Rockville

The Council...

- Funded county public infrastructure improvements for the new redevelopment project in the Rockville Town Center.
- Approved funding for a new Rockville Library in the new Town Center.

White Oak

The Council...

- Approved funds for the planning and design of the East County Center for Sciences and Technology's planned 100-acre research park on the former WSSC Site II property, adjacent to the U.S. Food and Drug Administration's new consolidated campus. It will include a business incubator, pilot

manufacturing facility, speculative laboratory building, built-to-suit facilities, and a higher education facility.

- Supported the relocation of the FDA project onto the White Oak Naval Warfare property and annually funded consultant contracts to represent the County's interests in the development of the property.
- Supported State funding for improvements to road system around FDA project.

Germantown

The Council...

- Funded the County purchase of the Black Rock Center for the Arts.
- Approved funds for the land purchase, design, and planning for the Germantown Technology Park. The Montgomery College Germantown Campus Technology Park is a partnership with the County that provides for a 40-acre site with up to one million square feet of development. It will include an academic and training facility tied in with the college's biotechnology program, an incubator and built-to-suit facilities.

Bethesda

The Council...

- Approved application to the State for Designation of Bethesda's Central Business District as an Arts and Entertainment District
- Supported and funded the Strathmore Concert Hall project, insuring that cost overruns were not borne by County taxpayers.
- Approved EDF funding for the Nederlander Theatre project in downtown Bethesda.

January 19, 2005